

Rotary District 7780

2018 District Conference

Report of the Bylaws Committee

The Bylaws Committee presents the following items for consideration by the District Conference:

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PROPOSED AMENDMENT 2018-01. To place conditions on extended term limits for the Treasurer.

Article II – OFFICERS Section 203.1

While the consensus of the Committee was that it is desirable for the Treasurer to be able to serve for more than 3 years as provided in Section 203.1, the unconditional nature of the term limit extension in the current bylaw was considered troublesome. The Committee therefore voted to make extensions beyond 3 years subject to approval by the Finance Committee.

Current Wording	Proposed Amendment	If adopted, will read
Section 203.1 Selection. The incoming Governor shall appoint a Treasurer for a one-year term concurrent with the incoming Governor's year of service as Governor. The Treasurer may serve for more than three consecutive years.	Section 203.1 Selection. The incoming Governor shall appoint a Treasurer for a one-year term concurrent with the incoming Governor's year of service as Governor. The Treasurer may serve for more than three consecutive years, <u>subject to approval by the Finance Committee.</u>	Section 203.1 Selection. The incoming Governor shall appoint a Treasurer for a one-year term concurrent with the incoming Governor's year of service as Governor. The Treasurer may serve for more than three consecutive years, subject to approval by the Finance Committee.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-02. To specify that distribution of the District financial statement be made by email.

Article II – OFFICERS Section 203.3(f)

Electronic communication has become the norm in Rotary matters; the amendment reflects this development and also deletes the December 31 deadline, which was considered unnecessary.

Current Wording	Proposed Amendment	If adopted, will read
Section 203.3 Duties. The Treasurer shall: (f) Send to the Governor, each club president, and each Past 7780 Governor, as soon as practicable after July 1 but no later than December 31, a statement of income and expenditures for the preceding year reviewed by a public accountant not serving as a member of the Finance Committee.	Section 203.3 Duties. The Treasurer shall: (f) Send <u>electronically</u> to each club president, and each Past 7780 Governor, as soon as practicable after July 1 but no later than December 31, a statement of income and expenditures for the preceding year reviewed by a public accountant not serving as a member of the Finance Committee.	Section 203.3 Duties. The Treasurer shall: (f) Send electronically to each club president, and each Past 7780 Governor, as soon as practicable after July 1, a statement of income and expenditures for the preceding year reviewed by a public accountant not serving as a member of the Finance Committee.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-03. To clarify that announcement of selections by the Nominating Committee is to be made by the Governor.

Article II – COMMITTEES Section 304.3

Section 607 and RI Bylaws 14.020.6 specify that announcement of the candidates selected by the Nominating Committee is to be made not by that committee but by the Governor.

Current Wording	Proposed Amendment	If adopted, will read
Section 304.3 Meetings. The Committee shall meet after October 15 for the selection of Candidates and announce the selection no later than December 1.	Section 304.3 Meetings. The Committee shall meet after October 15 for the selection of Candidates and announce the selection and no later than December 1 <u>for the selection of candidates and announce the selection shall promptly inform the Governor of its decision.</u>	Section 304.3 Meetings. The Committee shall meet after October 15 and no later than December 1 for the selection of candidates and shall promptly inform the Governor of its decision.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-04 . To define the agenda for special business meetings of the District.

Article IV – MEETINGS Section 405.2

The 2016 amendments to the bylaws omitted a definition of the agenda for special business meetings of the District. This amendment corrects that omission.

Current Wording	Proposed Amendment	If adopted, will read
[None]	Add a new subsection (b) to Section 405.2, as follows: <u>(b) Special Meeting. Action at the meeting shall be limited to consideration of the matters specified in the agenda.</u>	(b) Special Meeting. Action at the meeting shall be limited to consideration of the matters specified in the agenda.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-05. To provide for administrative services in the District budget

Article V, Part B – BUDGETS: Section 512.2

The demands of maintaining the financial records of the District have grown to the point where it is unreasonable to expect the District Treasurer to perform this function alone. While the existing bylaws provision for “administrative expenses” can be interpreted to cover the cost of a part-time bookkeeper, the Committee was of the opinion that such authorization should be made more explicit, and worded to encompass potential future needs of a similar nature.

Current Wording	Proposed Amendment	If adopted, will read
Section 512.2 Items to be considered in preparation of the Operating Budget shall include: (a) Expenses of the Governor for travel, postage, telephone, electronic communication, stationery, printing, secretarial service, and other administrative expenses beyond the monies allocated to the Governor for such purposes by RI.	Section 512.2 Items to be considered in preparation of the Operating Budget shall include: (a) Expenses of the Governor for travel, postage, telephone, electronic communication, stationery, printing, secretarial <u>and other administrative services</u> , and other administrative expenses beyond the monies allocated to the Governor for such purposes by RI.	Section 512.2 Items to be considered in preparation of the Operating Budget shall include: (a) Expenses of the Governor for travel, postage, telephone, electronic communication, stationery, printing, secretarial and other administrative services, and other administrative expenses beyond the monies allocated to the Governor for such purposes by RI.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-06. To revise the requirement for a reserve fund

Article V – ELECTIONS, Part A – FUNDS: Section 502.3

The current language of this section is complex, requiring the treasurer to make a calculation each year; and inflexible – it can produce reserve requirements that would require an unexpected dues increase for clubs. The proposed procedure would allow the Finance Committee the flexibility to set an appropriate amount for the reserve each year.

Current Wording	Proposed Amendment	If adopted, will read
Section 502.3 Reserve. If the Operating Fund balance at the end of the year (i.e. 2012) is in excess or falls short of the 20% of the approved operating budget for the current year (i.e.2013), the excess or shortage shall be factored in when computing the per capita levy for such following year (i.e. 2014). A separate general ledger account will be maintained for the 20% reserve.	Section 502.3 Reserve. If the Operating Fund balance at the end of the year (i.e. 2012) is in excess or falls short of the 20% of the approved operating budget for the current year (i.e.2013), the excess or shortage shall be factored in when computing the per capita levy for such following year (i.e. 2014). <u>The Finance Committee shall manage District income and expenditures in such a way as to maintain a reserve of between \$40,000 and \$50,000. The Committee may, upon unanimous consent, set a higher reserve amount.</u> A separate general ledger account will be maintained for the 20% reserve.	Section 502.3 Reserve. The Finance Committee shall manage District income and expenditures in such a way as to maintain a reserve of between \$40,000 and \$50,000. The Committee may, upon unanimous consent, set a higher reserve amount. A separate general ledger account will be maintained for the reserve.
Proposed by: Finance Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-07. To add the governor and the governor-elect as non-voting members of the Nominating Committee

Article III, COMMITTEES: Section 304.1.

In recent years the chair of the Nominating Committee has invited the Governor and the Governor-elect to attend the meetings of the Committee as guests. Those involved have considered the addition to have had positive results and have recommended that the practice be made official.

Current Wording	Proposed Amendment	If adopted, will read
Section 304.1 Composition. The Committee shall consist of: (a) five immediate Past 7780 Governors, the most senior of whom shall serve as chair and the least senior of whom shall serve as an alternate, (b) three immediate past presidents of District clubs, one from each division, with a fourth appointed as an alternate, (c) the governor-nominee, and (d) an assistant governor. Past Governors shall be appointed to a term of four years and past presidents, the governor-nominee and the assistant governor to a term of one year.	Section 304.1 Composition. The Committee shall consist of: (a) five immediate Past 7780 Governors, the most senior of whom shall serve as chair and the least senior of whom shall serve as an alternate, (b) three immediate past presidents of District clubs, one from each division, with a fourth appointed as an alternate, (c) the governor-nominee, and (d) an assistant governor. <u>(e) The governor and the governor-elect shall be non-voting members of the committee.</u> Past Governors shall be appointed to a term of four years and past presidents, the governor-nominee, <u>the governor, the governor-elect</u> and the assistant governor to a term of one year.	Section 304.1 Composition. The Committee shall consist of: (a) five immediate Past 7780 Governors, the most senior of whom shall serve as chair and the least senior of whom shall serve as an alternate, (b) three immediate past presidents of District clubs, one from each division, with a fourth appointed as an alternate, (c) the governor-nominee, and (d) an assistant governor. (e) The governor and the governor-elect shall be non-voting members of the committee. Past Governors shall be appointed to a term of four years and past presidents, the governor-nominee, the governor, the governor-elect and the assistant governor to a term of one year.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-08. To increase the authorized membership of the Foundation Committee.

Article III, COMMITTEES: Sections 303.1(e) and 304.2.

The current and incoming Foundation chairs, in consultation with the Governor and the Governor-elect, have concluded that increasing the size of the Committee will allow it function more effectively.

Current Wording	Proposed Amendment	If adopted, will read
Section 305.1 Composition. The committee shall consist of: (a) Eight members, who shall serve staggered three-year terms, including a Past Governor as chair and other members as required by TRF; (b) An Assistant Governor, who shall serve a one-year term; and (c) The Governor and the Governor-elect. (d) The Governor-nominee and the Governor-nominee-designate shall be non-voting members.	Section 305.1 Composition. The committee shall consist of: (a) Eight <u>to twelve</u> members, who shall serve staggered three-year terms, including a Past Governor as chair and other members as required by TRF; (b) An Assistant Governor, who shall serve a one-year term; and (c) (b) The Governor and the Governor-elect. (d) (c) The Governor-nominee and the Governor-nominee-designate shall be non-voting members.	Section 305.1 Composition. The committee shall consist of: (a) Eight to twelve members, who shall serve staggered three-year terms, including a Past Governor as chair and other members as required by TRF; - and (b) The Governor and the Governor-elect. (d) (c) The Governor-nominee and the Governor-nominee-designate shall be non-voting members.
Proposed by: Foundation Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-09. To revise the voting procedures of the Nominating Committee.

Article VI – ELECTIONS: Section 606

Bylaws Section 606 requires voting by “single transferable ballot,” a term whose interpretation is not well settled. The proposed amendment defines the term to provide guidance for District officers and committee members involved in elections.

Current Wording	Proposed Amendment	If adopted, will read
Section 606 – Voting. The Nominating Committee shall vote by secret single transferable ballot.	Section 606 – Voting. The Nominating Committee shall vote by secret single transferable ballot. <u>If no candidate receives a majority of the votes cast, subsequent votes will be taken until a majority of votes is cast for one candidate.</u>	Section 606 – Voting. The Nominating Committee shall vote by secret ballot. If no candidate receives a majority of the votes cast, subsequent votes will be taken until a majority of votes is cast for one candidate.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

PROPOSED AMENDMENT 2018-10. To update provisions governing District bank accounts.

Article V – DISTRICT FINANCES: Section 504

The current bylaws do not accurately reflect the status of the District’s bank accounts. This amendment corrects the description.

Current Wording	Proposed Amendment	If adopted, will read
Section 504 – Deposit of Funds. (a) All monies of the District shall be deposited in the name of “Rotary International District 7780” in one or more accounts in federally insured financial institutions maintaining offices within the District. (b) The Operating Funds and the Foundation Funds will be maintained in separate accounts. (c) The accounts shall be established and maintained in such a manner that the bank statements and canceled checks may be reviewed online by the Treasurer, Governor and Governor-elect. The Treasurer will print monthly copies for reconciliation purposes.	Section 504 – Deposit of Funds. (a) All monies of the District shall be deposited in the name of “Rotary International District 7780” in one or more accounts in federally insured financial institutions maintaining offices within the District. (b) The Operating Funds and the Foundation Funds will be maintained in separate accounts. <u>The Foundation Committee shall establish and maintain bank accounts for grants funds as required by, and in accordance with, the Memorandum of Understanding between the District and TRF.</u> (c) The accounts shall be established and maintained in such a manner that the bank statements and canceled checks may be reviewed online by the Treasurer, Governor and Governor-elect. The Treasurer will print monthly copies for reconciliation purposes.	Section 504 – Deposit of Funds. (a) All monies of the District shall be deposited in the name of “Rotary International District 7780” in one or more accounts in federally insured financial institutions maintaining offices within the District. (b) The Foundation Committee shall establish and maintain bank accounts for grants funds as required by, and in accordance with, the Memorandum of Understanding between the District and TRF. (c) The accounts shall be established and maintained in such a manner that the bank statements and canceled checks may be reviewed online by the Treasurer, Governor and Governor-elect. The Treasurer will print monthly copies for reconciliation purposes.
Proposed by: Bylaws Committee Bylaws Committee recommendation: Amendment be adopted		

The terms of reference of the nominating committee, as set out in Section 304 and Article VI of the bylaws, are hereby affirmed.